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TAGS: PREL PGOV PL

SUBJECT: POLISH COALITION FINDS FACE-SAVING EXITS FROM CRISES AS TURMOIL CONTINUES

REF: WARSAW 2574 AND PREVIOUS

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Classified By: Mary T. Curtin, Political Counselor, for reasons 1.4 (b) and (d).

¶1. (C) Summary: Poland's ruling coalition continues to lurch along, after two weeks of political distraction spurred by revelations of a sex scandal in Samoobrona (SO) and renewed accusation of neo-Nazi activity by the League of Polish Families (LPR) youth wing. While both junior partners found face-saving solutions, both are weakened by the scandals. Meanwhile, PM Kaczynski is struggling to find a suitable candidate to lead the Polish National Bank (whose incumbent's term ends on January 10) after some embarrassing missteps, and has been hurt by the public debate over whether former Prime Minister Kazimierz Marcinkiewicz will re-join the government. The continuous turmoil does nothing to strengthen the government's ratings, making it seem less likely that there will be early elections, and more likely that the Kaczynskis will decide to continue on with what the Prime Minister calls an "embarrassing" coalition. End Summary.

Paternity Test = Coalition Survival

¶2. (U) The dominant story gripping Poland for the last two weeks was the accusation that SO deputy Stanislaw Lyzinski, a close political confidant of SO Chairman Andrzej Lepper, gave jobs to women in the party in exchange for sexual favors. Aneta Krawczyk, a former city employee in Lodz, claimed that she had sexual relations with both Lyzinski and Lepper, and that Lyzinski was the father of her three-year old daughter, a claim disproved by a DNA test. Other unnamed women claimed that they, too, had swapped sex for jobs with SO officials.

¶3. (U) As the sordid details of the SO sex scandal unfolded, PM Jaroslaw Kaczynski called for a prosecutorial investigation, and claimed that, if true, the future of the government coalition could be jeopardized. After his unsuccessful effort to off load Lepper this fall, some speculated that leaking the sex scandal was a political trick by Kaczynski himself, which would permit him to further weaken Lepper politically and gobble up his supporters. Lepper disingenuously said he would resign if the "results of the prosecutor's investigation prove that the allegations of my involvement are true." But he also charged that the story amounted to a "coup d'etat," and called for the government to shut down Gazeta Wyborcza, the daily that broke the story. LPR chief Giertych equally called for the creation of a new censorship court to punish press outlets for reporting such stories as the SO sex scandal and reports of neo-Nazi activity by LPR's youth wing.

¶4. (U) Lepper found a face-saving way out of the crisis, at least temporarily, by "expelling" Lyzinski from the party, despite a DNA test that proved conclusively he was not the father of Krawzyk's daughter. Lyzinski will continue to sit with the SO caucus, however, and will be restored to membership in the party if he is cleared of the charges. Legal investigations continue into the charges that Lyzinski and Lepper were involved in sexual harassment, but for now Lepper seems to have weathered another storm, and even PM Kaczynski said during a press interview that the coalition was never seriously threatened by the scandal.

LPR's "Break" with Mlodzierz Wszechpolska

¶5. (U) Meanwhile, after another series of press photos and videos of neo-Nazi activities by members of LPR's notorious youth wing, the Mlodzierz Wszechpolska (All Poland Youth--MW), LPR Chief, Minister of Education and Deputy PM Roman Giertych announced that his party would sever all political ties with MW. Giertych formed the group in 1989 as an incubator for new LPR members and leaders, but his efforts to revitalize and draw young members to the party by promoting All Poland Youth have failed squarely, leaving the party struggling for political survival. Since its disastrous showing in the local elections, Giertych has been trying to recapture some of its historic constituency, elderly and deeply religious Poles, by distancing LPR from All Poland Youth. In addition, further anti-Semitic statements by All Poland Youth members, and visuals, such as the video posted on a conservative daily's website, of All Poland Youth shouting "Sieg Heil!" in front of a burning swastika, almost certainly led the Kaczynskis to demand some gesture by Giertych.

¶6. (C) But the gesture would seem to be just that. There

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was less to Giertych's break with MW than he suggested. None of the ten LPR Deputies who belong to MW will lose their positions in the party. LPR Deputy Krzysztof Bosak resigned his position as chairman of All Poland Youth, but maintained his membership with the group. Bosak will head up LPR's new youth wing. All Poland Youth elected a new chairman, Konrad Bonislawski, this weekend, who vowed to focus on education in attracting young people to the organization.

Marcinkiewicz Thanks but No Thanks

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As reported reftels, there is currently no viable candidate for the position of Governor of the Polish National Bank (NBP), although the incumbent, Leszek Balcerowicz's term ends January 10. After considerable speculation that Deputy Prime Minister and Finance Minister Zita Gilowska would be named the new head, the government endured an embarrassing series of twists and turns when it was revealed that its surprise candidate, Jan Sulmicki, had been a member of the Polish Communist Party, a taboo for the Kaczynskis, leading Sulmicki to abruptly withdraw his candidacy for "family reasons."

¶8. (C) In addition, after days of surprisingly public discussion over his future and that of several other ministers, former Prime Minister Kazimierz Marcinkiewicz announced December 19 that he would not return to government because he had not been offered the overall position of deputy prime minister in charge of economic affairs. PM Kaczynski had been expected to announce that Marcinkiewicz would replace Piotr Wozniak as Minister of Economy on December 15, but the announcement was postponed without explanation. Part of the reason may have been the uncertainty over the NBP slot, but the more difficult reason was clearly the bitter rivalry Marcinkiewicz and Zita Gilowska over who gets to be the overall coordinator of Polish economic policy. Gilowska, who was widely rumored to be interested in the BNP job, announced last week that she

was not looking to leave her current position, but that she would be forced to resign from the government if Marcinkiewicz was given the economic policy coordination slot. Gilowska apparently bears a grudge against Marcinkiewicz over how quickly he sacked her last spring when she faced charges of complicity with Communist-era security services. Forced to choose, PM Kaczynski decided to keep Gilowska and announced that Marcinkiewicz would instead head up a state-owned company. (There is speculation he will replace Igor Chalupiec at state-owned PKN Orlen, Poland's largest oil and gas company.) This would move Marcinkiewicz, who consistently ranks as the most trusted politician in Poland, out of the political realm for the time being.

Comment

¶9. (C) With his junior partners proving to be alternately difficult and embarrassing, the question is always open as to how long PM Kaczynski will tolerate the current political status quo before seeking early elections that would likely knock out one or both of the junior coalition parties. But for now Kaczynski seems to have decided to let each partner find a face-saving way out of his latest scandal in order to avoid elections. After a mediocre showing in municipal elections, PiS's polling numbers are improving, but are still not good enough to assure dominance in an election. Kaczynski may have wanted Marcinkiewicz back in government as a way of boosting PiS's ratings, but there is always speculation that the Kaczynskis are wary of his popularity, making leadership of a state-owned company an attractive choice. With the Sejm voting on the 2007 budget, Kaczynski holds all of the political cards, and will risk elections only when he's confident that PiS can consolidate its gains, at the expense of SO and LPR. End Comment.

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